

**Proposed changes to the Missouri
State Regulations Implementing Part B of the Individuals with Disabilities Education Act (IDEA)**

Regulation VII – ~~Local Education Agency (LEA)~~ **Public Agency Eligibility**

NOTE: This chart only shows substantive changes being proposed to the Part B State Regulations implementing the Individuals with Disabilities Education Act (IDEA). Other changes of a non-substantive nature, such as terminology or wording changes, spelling/punctuation/grammar corrections, etc. are not shown here. For a complete picture of all changes being proposed, the reader is directed to the regulatory document itself.

Regulation	Page	Current Regulation	Proposed Regulation	Rationale for the change
VII	108	The ruling by the Commissioner of Education or a designee shall be final unless appealed pursuant to Education Division General Administrative Regulations (EDGAR) which provides that notice of appeal must be filed with the Office of the Secretary of Education within twenty (20) days after the applicant receives notice of the decision. The decision of the Commissioner of Education shall contain a description of the applicant's right of appeal and shall be forwarded by certified mail with return receipt requested.	The ruling by the Commissioner of Education or a designee shall be final unless appealed pursuant to Education Division General Administrative Regulations (EDGAR) which provides that notice of appeal must be filed with the Office of the Secretary of Education within twenty (20) days after the applicant receives notice of the decision Federal regulations . The decision of the Commissioner of Education shall contain a description of the applicant's right of appeal and shall be forwarded by certified mail with return receipt requested.	EDGAR regulations are in transition or have been incorporated into the Uniform Grant Guidance; therefore Federal regulations are cited.
VII	110 - 111	<p>3. ACCOUNTING AND PAYMENT PROCEDURES</p> <p>a) Each LEA shall submit a budget application for Part B funds on or before the required due date. Part B funds may not be obligated until the budget application has been substantially approved, which occurs upon submission.</p> <p>b) LEAs shall submit payment requests for Part B funds by the required due dates. Payment requests must be based on actual expenditures to date or expenditures that will occur within three days of receiving the funds.</p> <p>c) LEAS must create a system for tracking Part B funds separately from state/local funds.</p> <p>d) Capital outlay purchases with Part B funds must be prior approved by the Department. This includes equipment, construction/renovation and vehicles/buses.</p> <p>e) Each LEA shall submit a final expenditure report (FER) for Part B funds on or before the required due date.</p> <p>f) Appropriate records shall be maintained to verify all expenditure of funds received under Part B of IDEA.</p>	<p>3. ACCOUNTING AND PAYMENT PROCEDURES</p> <p>a) Each LEA Public agencies shall submit a budget application for Part B funds on or before the required due date. Part B funds may not be obligated until the budget application has been substantially approved, which occurs upon submission.</p> <p>b) Public agencies must ensure that obligations made with Part B funds only occur between the substantial approval date of the budget application and June 30th of the fiscal year.</p> <p>c) Public agencies must ensure obligated Part B funds are expended by September 30th of each fiscal year.</p> <p>d) Public agencies must ensure Part B funds from the current grant cycle do not pay for expenditures from a prior grant cycle.</p> <p>e) The public agency must ensure that the public agency's written procurement procedure is followed when purchasing goods and/or services with Part B funds.</p> <p>f) LEAs Public agencies shall submit payment requests for Part B funds by the required due dates. Payment requests must</p>	Update fiscal requirements to align with Uniform Grant Guidance and IDEA Part B MOE regulations.

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			<p>be based on actual expenditures to date. or expenditures that will occur within three days of receiving the funds.</p> <p>g) LEAS Public agencies must create a coding system for tracking special education expenditures paid with Part B funds, separately from state funds, and /local funds separately.</p> <p>h) Public agencies must create a coding system to tie all federal revenue received (Part B, Early Childhood Special Education (ECSE), and High Need Fund (HNF)) to specific expenditures.</p> <p>i) Public agencies must ensure that all personnel paid in full or in</p> <p>3. ACCOUNTING AND PAYMENT PROCEDURES</p> <p>a) Each LEA Public agencies shall submit a budget application for Part B funds on or before the required due date. Part B funds may not be obligated until the budget application has been substantially approved, which occurs upon submission.</p> <p>b) Public agencies must ensure that obligations made with Part B funds only occur between the substantial approval date of the budget application and June 30th of the fiscal year.</p> <p>c) Public agencies must ensure obligated Part B funds are expended by September 30th of each fiscal year.</p> <p>d) Public agencies must ensure Part B funds from the current grant cycle do not pay for expenditures from a prior grant cycle.</p> <p>e) The public agency must ensure that the public agency’s written procurement procedure is followed when purchasing goods and/or services with Part B funds.</p> <p>f) LEAs Public agencies shall submit payment requests for Part B funds by the required due dates. Payment requests must be based on actual expenditures to date. or expenditures that will occur within three days of receiving the funds.</p> <p>g) LEAS Public agencies must create a coding system for tracking special education expenditures paid with Part B funds, separately from state funds, and /local funds separately.</p> <p>h) Public agencies must create a coding system to tie all federal revenue received (Part B, Early Childhood Special</p>	

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			<p>Education (ECSE), and High Need Fund (HNF)) to specific expenditures.</p> <p>i) Public agencies must ensure that all personnel paid in full or in part with Part B funds must maintain time and effort documentation.</p> <p>j) Public agencies must use the accounting codes identified in the MO Accounting Manual to track special education expenditures.</p> <p>k) Capital outlay purchases with Part B funds must be prior approved by the Department. This includes equipment, construction/renovation and vehicles/buses.</p> <p>l) Each LEA public agency shall submit a final expenditure report (FER) for Part B funds on or before the required due date.</p> <p>m) Appropriate records shall be maintained to verify all expenditure of funds received under Part B of IDEA.</p>	
VII	112 - 114	<p>5. MAINTENANCE OF EFFORT (34 CFR 300.203)</p> <p>a) Funds provided to an LEA under Part B of the Act:</p> <ul style="list-style-type: none"> • must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year, and • must be used to supplement State, local, and other Federal funds and not to supplant those funds as described in 34 CFR 300.202(a)(3). 	<p>5. MAINTENANCE OF EFFORT (34 CFR 300.203)</p> <p>a) Funds provided to an LEA under Part B of the Act:</p> <p>• must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year, and</p> <p>• must be used to supplement State, local, and other Federal funds and not to supplant those funds as described in 34 CFR 300.202(a)(3).</p> <p>a) Eligibility Standard</p> <p>(1) For purposes of establishing the public agency’s eligibility for an award for a fiscal year, the SEA must determine that the public agency budgets, for the education of children with disabilities, at least the same amount, from at least one of the following sources, as the public agency spent for that purpose from the same source for the most recent fiscal year for which information is available:</p> <p>(i) Local funds only;</p> <p>(ii) The combination of State and local funds;</p> <p>(iii) Local funds only on a per capita basis; or</p>	Update fiscal requirements to align with Uniform Grant Guidance and IDEA Part B MOE regulations.

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			<p>(iv)The combination of State and local funds on a per capita basis.</p> <p>(2) When determining the amount of funds that the public agency must budget to meet the requirement in paragraph (a)(1) of this section, the public agency may take into consideration, to the extent the information is available, the exceptions and adjustment provided in §§ 300.204 and 300.205 that the public agency:</p> <p>(i) Took in the intervening year or years between the most recent fiscal year for which information is available and the fiscal year for which the public agency is budgeting; and</p> <p>(ii) Reasonably expects to take in the fiscal year for which the public agency is budgeting.</p> <p>(3) Expenditures made from funds provided by the Federal government for which the SEA is required to account to the Federal government or for which the public agency is required to account to the Federal government directly or through the SEA may not be considered in determining whether a public agency meets the standard in paragraph (a)(1) of this section.</p> <p>b) Compliance Standard</p> <p>(1) Except as provided in §§ 300.204 and 300.205, funds provided to a public agency under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the public agency from local funds below the level of those expenditures for the preceding fiscal year.</p> <p>(2) A public agency meets this standard if it does not reduce the level of expenditures for the education of children with disabilities made by the public agency from at least one of the following sources below the level of those expenditures from the same source for the preceding fiscal year, except as provided in §§ 300.204 and 300.205:</p>	

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			<p>(i) Local funds only;</p> <p>(ii) The combination of State and local funds;</p> <p>(iii) Local funds only on a per capita basis; or</p> <p>(iv) The combination of State and local funds on a per capita basis.</p> <p>(3) Expenditures made from funds provided by the Federal government for which the SEA is required to account to the Federal government or for which the public agency is required to account to the Federal government directly or through the SEA may not be considered in determining whether a public agency meets the standard in paragraphs (b)(1) and (2) of this section.</p> <p>c) Subsequent Years Rule</p> <p>(1) If, in the fiscal year beginning on July 1, 2013 or July 1, 2014, a public agency fails to meet the requirements of § 300.203 in effect at that time, the level of expenditures required of the public agency for the fiscal year subsequent to the year of the failure is failure, not the public agency's reduced level of expenditures.</p> <p>(2) If, in any fiscal year beginning on or after July 1, 2015, a public agency fails to meet the requirement of paragraph (b)(2)(i) or (iii) of this section and the public agency is relying on local funds only, or local funds only on a per capita basis, to meet the requirements of paragraph (a) or (b) of this section, the level of expenditures required of the public agency for the fiscal year subsequent to the year of the failure is the amount that would have been required under paragraph (b)(2)(i) or (iii) in the absence of that failure, not the public agency's reduced level of expenditures.</p> <p>(3) If, in any fiscal year beginning on or after July 1, 2015, a public agency fails to meet the requirement of paragraph (b)(2)(ii) or (iv) of this section and the public agency is</p>	

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			<p>relying on the combination of State and local funds, or the combination of State and local funds on a per capita basis, to meet the requirements of paragraph (a) or (b) of this section, the level of expenditures required of the public agency for the fiscal year subsequent to the year of the failure is the amount that would have been required under paragraph (b)(2)(ii) or (iv) in the absence of that failure, not the public agency's reduced level of expenditures.</p> <p>d) Consequence of Failure to Maintain Effort</p> <p>(1) If a public agency fails to maintain its level of expenditures for the education of children with disabilities in accordance with paragraph (b) of this section, the SEA is liable in a recovery action under section 452 of the General Education Provisions Act (20 U.S.C. 1234a) to return to the Department, using non-Federal funds, an amount equal to the amount by which the public agency failed to maintain its level of expenditures in accordance with paragraph (b) of this section in that fiscal year, or the amount of the public agency's Part B subgrant in that fiscal year, whichever is lower.</p>	
VII	117	<p>12) Caseload Requirements</p> <p>Caseloads for ECSE are mandatory and tied to funding requirements. The number of personnel approved for each district will be based upon a review of the district's data for early childhood special education. ECSE funding will not be provided for staff serving children who are age 5 and kindergarten age eligible.</p> <p>Caseload Chart</p>	<p>12) Caseload Requirements</p> <p>Caseloads for ECSE are mandatory and tied to funding requirements. The number of personnel approved for each district public agency will be based upon a review of the district's public agency's data for early childhood special education. ECSE state funding will not be provided for staff serving children who are age 5 and kindergarten age eligible.</p> <p>Caseload Chart Updated</p>	<p>Clarify the use of state funds. Update caseload chart to better tie to personnel standards and Core Data coding.</p>